

Message Text

LIMITED OFFICIAL USE

PAGE 01 BRASIL 04025 221301Z

50

ACTION EB-07

INFO OCT-01 ARA-06 ISO-00 TRSE-00 COME-00 INT-05 CIAE-00

INR-07 NSAE-00 FTC-01 EUR-12 EA-06 NEA-10 /055 W

----- 014306

R 221225Z MAY 75

FM AMEMBASSY BRASILIA

TO SECSTATE WASHDC 9356

INFO AMCONSUL RIO DE JANEIRO

AMCONSUL SAO PAULO

LIMITED OFFICIAL USE BRASILIA 4025

E.O. 11652: N/A

TAGS: EMIN, BR

SUBJECT: JOINT VENTURE AND MANAGEMENT CONTRACTS

REF: STATE 113191

1. ALL MANGANESE IN BRAZIL IS PRODUCED BY PRIVATELY-OWNED COMPANIES.

2. DOMINANT IRON ORE PRODUCER IS 80 PERCENT GOB-OWNED CVRD (COMPANHIA VALE DO RIO DOCE), WORLD'S LARGEST IRON ORE EXPORTER. IN 1974 BRAZIL'S IRON ORE EXPORTS WERE 59 MILLION METRIC TONS, OF WHICH CVRD ACCOUNTED FOR 46 MILLION TONS. CVRD HAS ENTERED INTO FOLLOWING JOINT VENTURES WITH FOREIGN COMPANIES:

A) CARAJAS IRON ORE PROJECT - AMAZONIA MINERACAO S.A. IS 51 PERCENT OWNED BY CVRD, 49 PERCENT BY US STEEL. OTHER FOREIGN PARTNERS (JAPANESE, BRITISH AND SPANISH) ARE LIKELY TO JOIN SOON ON MINORITY BASIS. PROJECT CALLS FOR 50 MILLION TONS PER YEAR (TPY) OF IRON ORE PRODUCTION BY 1985. INITIAL PRODUCTION OF 12 MILLION TPY IS SCHEDULED FOR 1979. REQUIRED INVESTMENT WILL BE ABOUT TWO BILLION DOLLARS. (FYI: BY 1985, BRAZIL MAY WELL BE PRODUCING A TOTAL OF MORE THAN 180 MILLION TONS OF IRON ORE. END FYI.)

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 BRASIL 04025 221301Z

B) HITABRASCO IRON ORE PELLETIZING PROJECT - 51 PERCENT CVRD, 49 PERCENT FINSIDER OF ITALY. PLANT UNDER CONSTRUCTION WHICH WILL COME ON STREAM WITH THREE MILLION TPY IN 1976. (TWO EXISTING PELLETIZING PLANTS WHOLLY-OWNED BY CVRD PRODUCE FIVE MILLION TPY.)

C) MIBRASCO IRON ORE PELLETIZING PROJECT - 51 PERCENT CVRD, 49 PERCENT JAPANESE INTERESTS, PRINCIPALLY NIPPON STEEL. TWO PLANTS TO PRODUCE THREE MILLION TPY EACH ARE TO BE READY IN 1977.

D) HISPONOBAS IRON ORE PELLETIZING PROJECT - 51 PERCENT CVRD, 49 PERCENT SPAIN'S NNI. A THREE MILLION TPY PLANT IS PROJECTED FOR 1977.

E) CVRD-GOFI IRON ORE PELLETIZING PLANT - CVRD AND GOFI (EGYPT'S GENERAL ORGANIZATION FOR INDUSTRIALIZATION) SIGNED AGREEMENT LAST AUGUST FOR A \$120 MILLION GOFI INVESTMENT IN A FOUR MILLION TPY PLANT IN BRAZIL. ALTHOUGH DETAILS OF AGREEMENT ARE NOT AVAILABLE, CVRD EVIDENTLY WILL BE A MINORITY PARTNER.

F) CVRD-KORF GROUP (WEST GERMANY) IRON ORE PELLETIZING PLANT TO PRODUCE FOUR MILLION TPY. NO FURTHER DETAILS AVAILABLE.

3. PROJECTS LISTED ABOVE ARE DESCRIBED IN RECENTLY COMPLETED INDUSTRIAL OUTLOOK REPORT ON MINERALS IN BRAZIL (BRASILIA A-78).
CRIMMINS

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: MANAGEMENT, DATA, MANGANESE, IRON, JOINT VENTURES, CONTRACTS, STATE ENTERPRISES
Control Number: n/a
Copy: SINGLE
Draft Date: 22 MAY 1975
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: GolinoFR
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1975BRASIL04025
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D750180-0216
From: BRASILIA
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1975/newtext/t19750524/aaaaavrn.tel
Line Count: 91
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION EB
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: 75 STATE 113191
Review Action: RELEASED, APPROVED
Review Authority: GolinoFR
Review Comment: n/a
Review Content Flags:
Review Date: 04 SEP 2003
Review Event:
Review Exemptions: n/a
Review History: RELEASED <04 SEP 2003 by WorrelSW>; APPROVED <01 DEC 2003 by GolinoFR>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
05 JUL 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: JOINT VENTURE AND MANAGEMENT CONTRACTS
TAGS: EMIN, BR
To: STATE
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 05 JUL 2006